

**Introduced by Senator Wiggins**

February 19, 2010

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An act to amend Section 23399.6 of the Business and Professions Code, relating to alcoholic beverages.

**LEGISLATIVE COUNSEL'S DIGEST**

SB 1273, as introduced, Wiggins. Alcoholic beverage control: winegrowers: wine sales event permits.

The Alcoholic Beverage Control Act authorizes the issuance of a wine sales permit to any licensee under a winegrower's license, which authorizes the sale of bottled wine produced by the winegrowers at specified events, including those held by tax-exempt organizations. Existing law restricts the amount of wine that a winegrower may sell pursuant to a wine sales event permit, as specified, and requires a licensee to report that amount to the Department of Alcoholic Beverage Control. Existing law also requires a sponsoring tax-exempt organization to allow more than one winegrower at an event if public attendance at that event is expected to reach or exceed 1,000 attendees.

This bill would remove the restriction on the amount of wine that may be sold by a winegrower pursuant to a wine sales event permit and the attending reporting requirement. This bill would remove the requirement that a sponsoring tax-exempt organization must allow more than one winegrower at an event if public attendance is expected to reach or exceed 1,000 attendees.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Section 23399.6 of the Business and Professions Code is amended to read:

23399.6. (a) Any licensee under a winegrower's license may apply to the department for a wine sales event permit. The wine sales event permit shall authorize the sale of bottled wine produced by the winegrower at festivals, state, county, district, or citrus fruit fairs, civic or cultural celebrations, or similar events approved by the department. The sale of the wine shall not be the primary purpose of the event, and the sale shall be for consumption off the premises where sold. The permit shall be valid for a maximum of five consecutive days during the event period. The event shall be sponsored by an organization that is exempt from taxation under Section 23701a of the Revenue and Taxation Code, including state designated fairs as specified in Section 19418 of the Revenue and Taxation Code, or exempt from taxation under Section 23701b, 23701d, 23701e, 23701f, 23701g, 23701i, 23701k, 23701l, 23701r, or 23701w of the Revenue and Taxation Code.

(b) A wine sales event permit may not be used more than two times a month at a particular location.

(c) Consent for sales at each event shall be first obtained by an annual authorization issued by the department. The applicant for the wine sales permit is required to notify the city, county, or city and county where the event is being held at least five days prior to the event. At all events, a copy of the wine sales permit shall be maintained. The licensee may exercise only those privileges authorized by the licensee's license and shall comply with all provisions of the act pertaining to that license, and any violation of those provisions may be grounds for suspension or revocation of the licensee's license or permit, or both, as though the violation occurred on the licensed premises.

~~(d) (1) A licensee may not sell more than 5,000 gallons of wine annually pursuant to wine sales event permits issued under this section to that licensee.~~

~~(2) A licensee holding a wine sales event permit may not sell more than 1,250 gallons of wine per event.~~

~~(3) A licensee that is eligible to receive a certified farmers' market sales permit under Section 23399.4 and a wine sales event~~

1 permit may not, under both permits collectively, sell more than a  
2 total of 5,000 gallons of wine annually.

3 ~~(4) The licensee shall annually report to the department the total~~  
4 ~~gallons of wine sold by that licensee under permits issued under~~  
5 ~~this section to that licensee. The report may be included within the~~  
6 ~~annual report of production submitted by the licensee to the~~  
7 ~~department, or may be made in another manner as prescribed by~~  
8 ~~the department in regulation.~~

9 ~~(e)~~

10 (d) The sponsoring tax-exempt organization may charge a fee  
11 of the licensee for the licensee's use of display booth space. The  
12 fee, if paid, shall be comparable with, or less than, fees, or goods  
13 or services of equivalent value, paid by other vendors at the event  
14 for a similar booth size and location.

15 ~~(f)~~

16 (e) The sponsoring tax-exempt organization ~~shall~~ *may* allow  
17 the participation of more than one winegrower under a wine sales  
18 event permit at an event if public attendance at the event is  
19 expected to reach or exceed 1,000 attendees. The prior year's stated  
20 attendance for the event shall be used to determine the expected  
21 attendance *per event*.

22 ~~(g)~~

23 (f) (1) The fee for the authorization to utilize a wine sales permit  
24 shall be fifty dollars (\$50) per year, and the authorization may be  
25 renewable annually at the time of the licensee's license. The wine  
26 sales permit authorization shall be transferable as part of the  
27 license.

28 (2) All money collected as fees pursuant to this subdivision  
29 shall be deposited in the Alcohol Beverage Control Fund, as  
30 described in Section 25761, for allocation, upon appropriation by  
31 the Legislature, as provided in subdivision (d) of that section.

32 ~~(h)~~

33 (g) The department may adopt any regulations as it determines  
34 to be necessary for the administration of this section.